

# **2004 SUPER RESEARCH AND DEVELOPMENT TAX CREDIT WORKSHEET INSTRUCTIONS**

This credit is available to taxpayers that qualify for the Research Expense Tax Credit (*see* 36 M.R.S.A. §5219-K) and whose qualified research expenses (as defined by IRC § 41 as of December 31, 1994) exceed the super credit base amount. The super credit base amount is the average research expense for the three taxable years immediately preceding June 12, 1997, increased by 50%. This credit applies only to the amount spent on research conducted in Maine. The credit is equal to the lesser of the excess qualified research expenses over the super credit base amount or 50% of the tax due after all other credits. The credit may not reduce the current year's tax liability to less than the tax liability of the previous year after credits. Any unused credit amount may be carried over for 5 years. Special rules apply to corporations filing a Maine combined return.

## **SPECIFIC LINE INSTRUCTIONS**

In the case of pass-through entities (partnerships, LLCs, S corporations, trusts, etc.), the partners, members, shareholders, beneficiaries, etc., are allowed a credit in proportion to their respective interest in these entities. Attach a schedule showing the credit generated by the pass-through entity and the assignment/distribution to each partner, shareholder, beneficiary, etc. Include the name, address, and federal ID number of the pass-through entity on the schedule and the name and SSN/EIN of each partner, shareholder, beneficiary, etc.

Enter the taxpayer name and employer identification number ("EIN") or social security number ("SSN").

- Line 1. Enter the total qualified research expenses spent for research conducted in Maine and included on federal Form 6765, Section A, line 8 or Section B, line 25.
- Line 2. Enter the qualified research expenses spent for research conducted in Maine for the appropriate tax years. The average qualified research expense for these 3 years increased by 50% is the super credit base amount.
- Line 4. Enter any amount of unused super research and development tax credits from prior years. Unused credit amounts may be carried forward for up to 5 years.
- Lines 6 & 7. The credit is limited to 50% of the taxpayer's tax liability after the allowance of other credits.
- Line 9. The credit is further limited in that it cannot be used to reduce the current year tax liability after other credits to less than the tax liability of the previous tax year after the allowance of credits.



**2004**  
**SUPER RESEARCH AND DEVELOPMENT**  
**TAX CREDIT WORKSHEET**  
**36 M.R.S.A. § 5219-L**

TAXPAYER NAME: \_\_\_\_\_ EIN/SSN: \_\_\_\_\_

**Note: Owners of pass-through entities (partnerships, LLCs, S corporations, trusts, etc.) making an eligible investment, see instructions. Also, please provide name and ID number of the pass-through entity on the lines below.**

NAME OF PASS-THROUGH ENTITY

EIN/SSN

1. Total **qualified research expenses** spent for research conducted in Maine during tax year 2004 (federal Form 6765, Section A, line 8 or Section B, line 25) ..... 1. \_\_\_\_\_
2. **Super credit base amount**  
Qualified Research expenses spent for research conducted in Maine for the 3 taxable years immediately preceding June 12, 1997. For calendar year filers, these are:  
  
1994 \_\_\_\_\_  
1995 \_\_\_\_\_  
1996 \_\_\_\_\_  
Total \_\_\_\_\_  
 $\div 3 =$  \_\_\_\_\_  $\times 1.5 =$  Super credit base amount ..... 2. \_\_\_\_\_
3. Qualified research expenses in excess of super credit base amount  
(subtract line 2 from line 1) ..... 3. \_\_\_\_\_
4. Carryover from previous years (see instructions) ..... 4. \_\_\_\_\_
5. Total credit available this year (add line 3 and line 4) ..... 5. \_\_\_\_\_
6. 2004 tax after other credits (Form 1120ME, line 7a minus other credits claimed on Schedule C, or Form 1040ME, line 23 minus Schedule A, Line 3c, minus other credits claimed on Schedule A) ..... 6. \_\_\_\_\_
7. Line 6  $\times$  50% (0.50) ..... 7. \_\_\_\_\_
8. Year 2003 tax less credits  
(2003 Form 1120ME, line 7c minus 8c, or 2003 Form 1040ME, line 26) ..... 8. \_\_\_\_\_
9. Subtract line 8 from line 6 and enter the difference here ..... 9. \_\_\_\_\_
10. Credit Amount: Enter the smaller of line 5, line 7, or line 9  
(enter here and on Form 1120ME, Schedule C, line 29h or Form 1040ME, Schedule A, line 13) ..... 10. \_\_\_\_\_